

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:				
Company	Jay Marshall Resident Agent			
OGM	Pete Hess Environmental Scientist III			

Inspection Report

Permit Number:	C0070013 PARTIAL		
Inspection Type:			
Inspection Date:	Thursday, March 26, 2009		
Start Date/Time:	3/26/2009 1:36:00 PM		
End Date/Time:	3/26/2009 3:45:00 PM		
Last Inspection:	Thursday, March 19, 2009		

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny; cold and windy. InspectionID Report Number: 1960

> Accepted by: jhelfric 4/6/2009

Permitee: UTAHAMERICAN ENERGY INC Operator: UTAHAMERICAN ENERGY INC

Site: HORSE CANYON MINE

Address: PO BOX 986, PRICE UT 84501

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

5,992.07	Total Permitted
99.56	Total Disturbed
61.65	Phase I
	Phase II
	Phase III

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground ✓ State Surface Loadout County **Processing** ✓ Fee Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee has had a hydrologist from EarthFax Engineering on site(March 16, 2009) to evaluate the proposed surface drainage and runoff control plan.

Inspector's Signature:

Date

Tuesday, March 31, 2009

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
- b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	✓		✓	
3.	Topsoil	V		✓	
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	V		✓	
4.d	Hydrologic Balance: Water Monitoring	V		~	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives	✓		✓	
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments				
8.	Noncoal Waste	V			
9.	Protection of Fish, Wildlife and Related Environmental Issues	V		✓	
10.	Slides and Other Damage		✓		
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading				
13.	Revegetation				
14.	Subsidence Control				
15.	Cessation of Operations				
16.8	a Roads: Construction, Maintenance, Surfacing				
16.	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations				
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other	П			

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2. Signs and Markers

The Permittee was asked to check all disturbed area perimeter markers for condition and installation frequency prior to the April complete inspection.

3. Topsoil

A sample of the tunnel development muck was taken this day in order to analyze for acid and toxic potential. The Division was notified on April 2, 2009 that the first sample could not be run due to its sizes of the material, and a second sample was taken prior to the 4 / 2 inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee has determined that the incisement developed for the #2 pond (the smaller pond adjacent to the proposed truck loading loop) is too small to treat the volume of runoff which will report to it for the 10 year 24 hour event. The Permittee has initiated the trench needed through the main pond (pond #1) bottom for placement of the undisturbed bypass culvert. The Emery County road embankment (east leg of # 126) has been breached for placement of the new 60 inch CMP. Surveyors were determining if the cut was deep enough this day to begin culvert placement.

4.c Hydrologic Balance: Other Sediment Control Measures

The Permittee's contractor has shaped the portal access road along several areas of concern such that runoff will report to the center of the disturbance rather than toward the Lila Creek main channel. Other methods of sediment control have been implemented in this area as other means of temporary control. Thus far this year, the site has not received any rainfall.

4.d Hydrologic Balance: Water Monitoring

There is no flow occurring in any of the undisturbed channels adjacent to the Mine construction site.

5. Explosives

Tunnel development continues at the site.

9. Protection of Fish, Wildlife and Related Environmental Issues

There were no birds observed in flight during today's partial inspection.